

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6115**

**BILL NUMBER:** SB 54

**NOTE PREPARED:** Jan 11, 2006

**BILL AMENDED:**

**SUBJECT:** Handgun Licensing.

**FIRST AUTHOR:** Sen. Nugent

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill specifies the intention that persons and agencies engaged in the issuance of handgun licenses should process license applications in a timely fashion. The bill provides that handgun license renewals may be done electronically, and it provides that fingerprints are not required for renewals if the applicant's fingerprints are still on file from the initial licensing.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:** (Revised) *Internet Website*. If the Indiana State Police (ISP) Superintendent establishes and maintains a secure Internet website for license renewal, the projected additional expenses for the system are outlined in the table below.

<b>Task</b>	<b>Services</b>	<b>Equipment</b>	<b>Totals</b>
Provide web-based gun permit application for Internet applicants	\$80,000	\$30,000	\$110,000
Build web-based gun permit approval process for local agencies*	\$45,000		\$45,000
Develop E-commerce for on-line payment of fees.	\$35,000		\$35,000
<b>Web-Based Gun Permit Application Estimate</b>	<b>\$160,000</b>	<b>\$30,000</b>	<b>\$190,000</b>
Create firearms repository in FileNet**	\$10,000	\$25,000	\$35,000
Modify CHRIS***	\$20,000		\$20,000
Rewrite background check process to behind-the-scenes automated	\$40,000		\$40,000
Create scanning form/high-speed data entry screen for hardcopy applications related to handgun license.	\$40,000		\$40,000
Management / Audit report development	\$10,000		\$10,000
<b>Firearms Imaging Estimate</b>	<b>\$120,000</b>	<b>\$25,000</b>	<b>\$145,000</b>
<b>Total</b>	<b>\$280,000</b>	<b>\$55,000</b>	<b>\$335,000</b>
*The bill does not require. **Make record division consistent with records repository. ***Criminal History Records Info System. Interfaces with counties and the FBI.			

ISP issues about 80,000 gun permits per year. Using an electronic system could save time and resources. An estimated three staff positions could be eliminated with the automated system for a reduction in expenditures for staff of an estimated \$140,000 per year. Additional reductions could include expenses for paper, elimination of manual record-keeping, processing, and accessing as well as improved security for the documents.

*Background.* Under existing law, the law enforcement agency which accepts an application for a handgun license must collect a \$10 application fee, \$5 of which must be refunded if the license is not issued. Fees are deposited into the law enforcement agency's firearms training fund or other appropriate training activities fund. The fund can be used by the agency for the purpose of training law enforcement officers or purchasing the law enforcement officers' firearms or firearm-related equipment. The officer to whom the application is made must ascertain certain information about the applicant. The officer must also conduct an investigation into the applicant's official records and verify the applicant's character and reputation, and the accuracy of the information contained in the application. The officer must forward the information with the officer's recommendation for approval or disapproval and one set of legible and classifiable fingerprints of the applicant to the ISP. The ISP may further investigate and approve or disapprove the application. The ISP must forward its recommendation to the officer to whom the application is made and the applicant. The ISP must retain a copy of the application for at least four years. The license is valid for four years. At the time a license is issued and delivered to a licensee, the superintendent must include information concerning handgun safety.

#### **Explanation of State Revenues:**

**Explanation of Local Expenditures:** IC 35-47-2-3 provides that a person desiring a license to carry a handgun must apply to the chief of police or corresponding law enforcement officer of the municipality in which the applicant resides. If the municipality has no such officer, or if the applicant does not reside in a municipality, the person must apply to the sheriff of the county. Providing that handgun license renewals may be done electronically and providing that fingerprints are not required for renewals when the fingerprints are still on file from the initial licensing may reduce administrative expenditures for the municipality or county. The specific impact is indeterminable.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Municipalities and counties.

**Information Sources:**

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.